Retire Worry Free

Home Financing Solutions for Your Golden Years

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Financial Peace of Mind in Your Retirement Years

You have worked towards retirement your whole life. Now it's time to think about how you can best enjoy these years without financial stress!

Reverse mortgages or HECM (Home Equity Conversion Mortgage) are an innovative new way to reach your retirement goals. They provide the flexibility of making any size monthly payment you want, or none at all!

With a reverse mortgage, you still own your home. You are simply tapping into the equity that you have built up in your home. You would still be responsible to pay your property taxes, insurance, and maintenance, but have zero mortgage payment.

A reverse mortgage allows homeowners to have tax free cash flow for their daily living expenses, and save for any unexpected expenses that may come up, such as illness or injury.

What Are the Pros and Things to Consider of a Reverse Mortgage or HECM?

There are several considerations to make before deciding to proceed with a reverse mortgage loan. As with any large decision, it's helpful to have a deeper understanding.

Pros:

- You continue to live in your home and retain title to your home as long as you continue to pay your property taxes, insurance, and maintenance.
- You generally receive the proceeds of the loan as tax-free cash in which you can use the money as you see fit. It is recommended to speak with your financial advisor to verify your specific situation.
- You do not make any monthly mortgage payments during the course of the loan. You do have to follow the loan guidelines and are responsible for paying your property taxes, insurance, and maintenance.
- A reverse mortgage is a non-recourse loan. Neither you nor your heirs are liable for any amount of the mortgage that transcends the value of your home.
- You choose the disbursement option. There are several ways in which you can receive the proceeds of the loan.

Things to consider:

- Fees associated with the loan are generally higher than with other financial products. You should ask your lender about options available.
- The balance of the loan increases over time as does the interest on the loan and the fees associated.

Flexibility and Security

Reverse mortgages work much like a home equity line of credit in that they allow you to benefit from the home equity built up in your home. However, unlike traditional mortgages, a reverse mortgage gives retirees flexible repayment options.

Our experienced mortgage brokers can help you choose from a variety of plans that work best for your needs- choose an interest rate, how much money you can access, closing costs, and more.

Reverse mortgages are a good option for older adults who need access to their home equity and don't want the responsibility of managing it alone. They offer flexibility that can help you live comfortably during retirement years, even if your income changes or shrinks due to Social Security cuts as well!

We offer a full range of reverse mortgage options for borrowers as young as 55 (in some states), including a Home Equity Conversion Mortgage **(HECM)**. There are several choices in terms rate; and amount accessible each month or year - depending on what's best suited for your situation.

Put Your Home Equity to Work For You

With an HECM, you get to cash out your equity and receive tax-free disbursements to use as you see fit. To qualify for an HECM, you need to own your home and live in it as a primary residence. You can get one even if there's already a mortgage on the house or condo! The requirements vary depending upon the program, but typically include some type of equity minimums that must be met - usually around **$25k-$150K** in most states.

A Reverse Mortgage Can Help You:

- Reduce or eliminate monthly mortgage payments
- Pay off debt
- Give you monthly cash flow
- Purchase a new home
- Fund remodeling projects
- Give you financial flexibility

Do I Qualify?

To be eligible for a reverse mortgage, you must be at least 62 years old in most states, and can be as young as 55 in California. You must also live in your home as a primary residence, and the home must meet U.S. Department of Housing and Urban Development (HUD) standards.

How Does the Loan Get Repaid?

A reverse mortgage can be repaid at any time, but does not have to be paid back until you sell the property or you no longer live there as your current residence. As long as you meet the requirements of the loan and stay current with your property taxes, insurance, and maintenance fees, you can enjoy the flexibility and benefits of the HECM loan.

What Our Clients Say

"The process of refinancing my home with the Lenderment team was seamless and stressless (which is saying a lot!). Their online portal is easy to navigate and the team responded to my questions quickly and professionally. An unexpected issue came up regarding my home's history and Dan and his team worked tirelessly to resolve it, going above and beyond what one would expect. I'm not sure what I would have done to manage the problem without them. I highly recommend Lenderment for your mortgage needs. You couldn't be in better hands!"

- Marla Tabaka

Common Reverse Mortgage Misconceptions:

MYTH #1

I no longer own my home

TRUTH: Many people think that when you take on a reverse mortgage, the bank takes ownership of your home. The truth is, you continue to own your home and remain the title owner just like any other mortgage as long as you continue to meet the requirements of the loan by paying off the property taxes, insurance, and maintenance.

MYTH #2

Reverse mortgages take advantage of the elderly

TRUTH: Reverse mortgages actually HELP retirees by giving them access to the equity in their home. Furthermore, this equity can be paid in any amount you choose, and the disbursements are tax-free in most cases! A reverse mortgage puts financial power back in your hands and allows you to take advantage of the home equity you have built.

MYTH #3

I already have a mortgage, so I don't qualify for a reverse mortgage

TRUTH: You CAN still qualify for a reverse mortgage, but the proceeds from your reverse mortgage may go to pay off your current mortgage first. A mortgage professional can find the best option for you.

MYTH #4

I won't be able to leave my home to my loved ones

TRUTH: You can still leave the home to your heirs, but the loan will need to be paid back. Any leftover equity would be theirs, just like any traditional mortgage.

MYTH #5

A reverse mortgage is only for emergencies

TRUTH: A reverse mortgage can be a financially sound and strategic way to use the home equity that you have built to give you cash flow. The benefits of a reverse mortgage can be much more beneficial than a traditional loan, and may have more flexibility and options than other financial solutions.

Other Mortgage Options

Some people may want to opt for more traditional mortgage options like a Home Equity Line of Credit (HELOC). If you are over the age of 60, however, a reverse mortgage may give you better options.

See our chart below to compare your options

	Home Equity Line of Credit (HELOC)	Traditional Mortgage	Home Equity Conversion Mortgage	Equity Elite
Converts home equity into loan funds?	YES	YES	YES	YES
Age-based lending	NO	NO	62 or Older	60 or Older
How much can I borrow?	No set amount	No set amount	Less than $822,375	Up to $4 million
Flexible repayment feature?	NO	NO	YES	YES
Minimum monthly payment required?	YES	YES	NO	NO
Non-recourse feature (You'll never owe more than the home is worth when the loan is repaid)	NO	NO	YES	YES
Income qualifications	Stricter	Stricter	More lenient	More lenient
Can be used to buy a home?	NO	YES	YES	YES

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The Lenderment Difference:

Easy. **Honest.** **Transparent.**

An Illinois, California and Florida Mortgage Company

At Lenderment, we fit the mortgage to the buyer, not the buyer to the mortgage. It's why we offer a variety of mortgage loan options with highly competitive rates. Let our experienced team find what's right for you. We'll keep it simple and straightforward. We are licensed in Illinois, California and Florida.

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